Expedited Bill No	10-09
Concerning: Person	onnel - Retirement
Incentive Progra	ım 2009
Revised:	Draft No
Introduced: Marc	h 24, 2009
Expires: Sept	ember 24, 2010
Enacted:	
Executive:	
Effective:	
Sunset Date: None)
Ch, Laws of	Mont. Co.

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN ACT to:

- (1) provide a retirement incentive program for certain members of the Employees' Retirement System; and
- (2) generally amend the law regarding the Employees' Retirement System.

By amending

Montgomery County Code Chapter 33, Personnel and Human Resources Sections 33-42

The County Council for Montgomery County, Maryland approves the following Act:

1	Sec. 1. Section 33-42 is amended as follows:										
2	Sec. 33-42.	Amo	unt of	pensi	ion a	t normal re	tiren	nent da	te or ear	rly re	tirement
3	date.										
4				*		*		*			
5	<u>(k)</u>	Retir	<u>ement</u>	Incent	<u>tive</u> <u>F</u>	Program 200	<u>9</u>				
6		<u>(1)</u>	<u>Eligi</u>	<u>bility.</u>							
7			<u>(A)</u>	<u>A</u> <u>G</u> :	roup	<u>A, E or H</u>	mer	<u>mber</u> ei	nployed	<u>in</u> <u>a</u>	<u>full-time</u>
8				posit	ion_	may apply	to p	participa	ate <u>in</u> tl	he Re	<u>etirement</u>
9				Incer	<u>ntive</u>	Program 200	<u>09 if</u>	the mer	<u>nber is el</u>	<u>ligible</u>	<u>for:</u>
10				<u>(i)</u>	nor	<u>rmal</u> <u>retireme</u>	ent as	of June	<u>e 1, 2009</u>	<u>; or</u>	
11				<u>(ii)</u>	ear	ly retiremen	t and	l within	two yea	ars of	meeting
12					the	criteria for	nor	mal ret	<u>irement</u>	as of	June 1,
13					<u>200</u>	<u>)9.</u>					
14			<u>(B)</u>	<u>A</u> me	<u>embe</u>	<u>er is not eligi</u>	ble to	<u>partici</u>	pate if th	<u>e</u> mer	nber:
15				<u>(i)</u>	rec	<u>eives a disab</u>	oility	retirem	ent under	: <u>§33-</u>	<u>43;</u>
16				<u>(ii)</u>	rec	<u>eives</u> <u>a</u> <u>disc</u>	contir	nued se	rvice ret	<u>ireme</u>	nt under
17					<u>§33</u>	3-45(d);					
18				<u>(iii)</u>	<u>is</u> <u>a</u>	n elected or	<u>appo</u>	inted of	fficial; or		
19				<u>(iv)</u>	<u>is e</u>	employed by	a par	rticipati	ng agenc	<u>y.</u>	
20			<u>(C)</u>	<u>A</u> <u>m</u>	embe	er must app	ly to	partici	pate in t	he Re	<u>etirement</u>
21				Incer	<u>ntive</u>	Program 2	<u> 2009</u>	with 1	the Office	ce of	<u>Human</u>
22				Reso	urces	s <u>in</u> writing	g <u>by</u>	<u>April</u>	<u>1, 2009.</u>	<u>A</u>	member
23				chose	en to	participate 1	<u>must</u>	comple	<u>te all req</u>	<u>uired</u>	forms by
24				<u>May</u>	<u>1, 20</u>	009 <u>and retire</u>	<u>e as c</u>	of June	<u>1, 2009.</u>		
25			<u>(D)</u>	<u>A</u> me	<u>embe</u>	er who appli	es fo	<u>r a disa</u>	ability re	<u>tireme</u>	ent under
26				<u>33-43</u>	<u>3 wil</u>	1 not receive	any	benefit	under th	is sec	tion until
27				the d	lisabi	lity retireme	nt ha	s been o	determine	<u>ed.</u>	

28			
29	<u>(2)</u>	<u>Early</u>	retirement reduction. A participant's pension benefit
30		must	not be reduced for early retirement if the member is
31		eligib	le for early retirement and within two years of meeting the
32		criteri	a for normal retirement.
33	<u>(3)</u>	<u>Additi</u>	ional Retirement Benefit. In addition to a participant's
34		pensio	on benefit calculated under this Subsection, a member
35		<u>must</u>	be paid an additional \$40,000 retirement benefit. The
36		memb	per must elect to receive the additional \$40,000 retirement
37		<u>benefi</u>	it as:
38		<u>(A)</u>	a lump sum on August 1, 2009:
39			(i) to the member;
40			(ii) as a direct rollover to an eligible retirement plan
41			(as defined in the Internal Revenue Code); or
42			(iii) a combination of (i) and (ii); or
43		<u>(B)</u>	12 equal monthly payments beginning on August 1,
44			<u>2009:</u>
45			(i) to the member;
46			(ii) as a direct rollover to an eligible retirement plan
47			(as defined in the Internal Revenue Code); or
48			(iii) a combination of (i) and (ii); or
49		<u>(C)</u>	an additional retirement benefit paid over the member's
50			lifetime in the pension option elected by the member
51			under Section 33-44 beginning on August 1, 2009.
52	<u>(4)</u>	<u>Group</u>	<u>DEBenefit.</u> The benefit for a Group E member in the
53		integr	ated retirement plan must be calculated by substituting
54		1.65%	o for 1.25% in §33-43(b)(2)(C)(ii).

- (5) <u>Cost of Living</u>. Cost of living adjustments do not apply to this benefit. A cost of living adjustment under §33-44(c) must not include the \$40,000 additional retirement benefit.
- Approval. The Chief Administrative Officer must approve a <u>(6)</u> request to participate in the program from a member employed in the Executive Branch. The Council Staff Director must approve a request to participate from a member employed in the Legislative Branch. If more than 30% of members eligible to participate in the Executive Branch either Countywide or by department apply to participate in the program, the Chief Administrative Officer may limit the number of participants, either on a Countywide or department basis. If more than 30% of members eligible to participate in the Legislative Branch apply to participate in the program, the Council Staff Director may limit the number of participants. The Chief Administrative Officer and the Council Staff Director must base any limits on the number of participants on years of service with the County. Years of service with the County must not include service with a participating agency, purchased service or sick leave.
- (8) Survivor Benefit. If a participant elects to receive the additional retirement benefit under §33-42(k)(3)(B) and the member dies before receiving all 12 monthly payments, the remaining payments must not be paid.

Sec. 2. Effective Date.

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The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law.

82	Approved:		
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	Philip M. Andrews, President, County Council	Date	
85	Approved:		
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	Isiah Leggett, County Executive	Date	
87	This is a correct copy of Council action.		
88			
	Linda M. Lauer, Clerk of the Council	Date	